



Bulacan Bulk Water Supply Project





METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM



PUBLIC-PRIVATE PARTNERSHIP CENTER

Investing & Financing in Public-Private Partnership Projects



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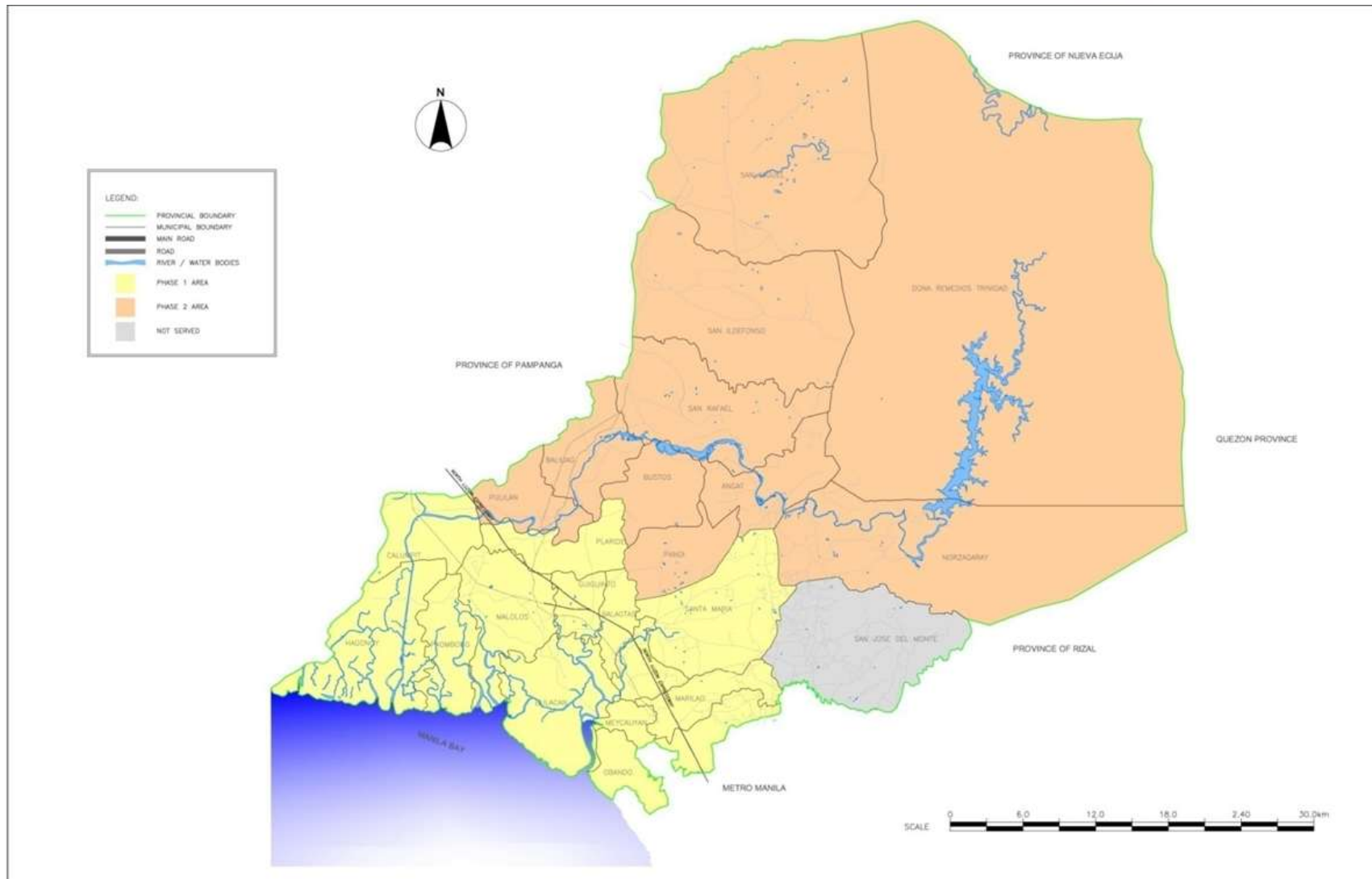
- **IMC Worldwide** is a leading UK-based consultancy that has a long track record advising governments and donor agencies on some of the most challenging problems related to infrastructure and economic development. For more than 50 years we have provided consulting services in nearly 80 countries worldwide.
- IMC has extensive experience in Public-Private Partnerships (PPPs). IMC provides both Transaction Advisory services on specific schemes and Technical Assistance to ministries or government PPP units, including training and developing PPP policies and regulations that contribute to creating an enabling PPP environment. We have advised governments on PPPs across sectors in the Philippines, Vietnam, Sierra Leone, Uganda and various other locations.
- IMC sub-contracted **Romulo Mabanta Buenaventura Sayoc & de los Angeles** to be our legal advisors for the Bulacan Bulk Water Supply Project. Romulo offers a full range of legal services including mergers & acquisitions, capital markets, foreign investments and dispute resolution.



- Project Overview and Rationale
- Technical Scope and Phasing
- Scope of Investments and PPP Structure
- Bidding Process and Timelines

Project Overview and Rationale

Project Location

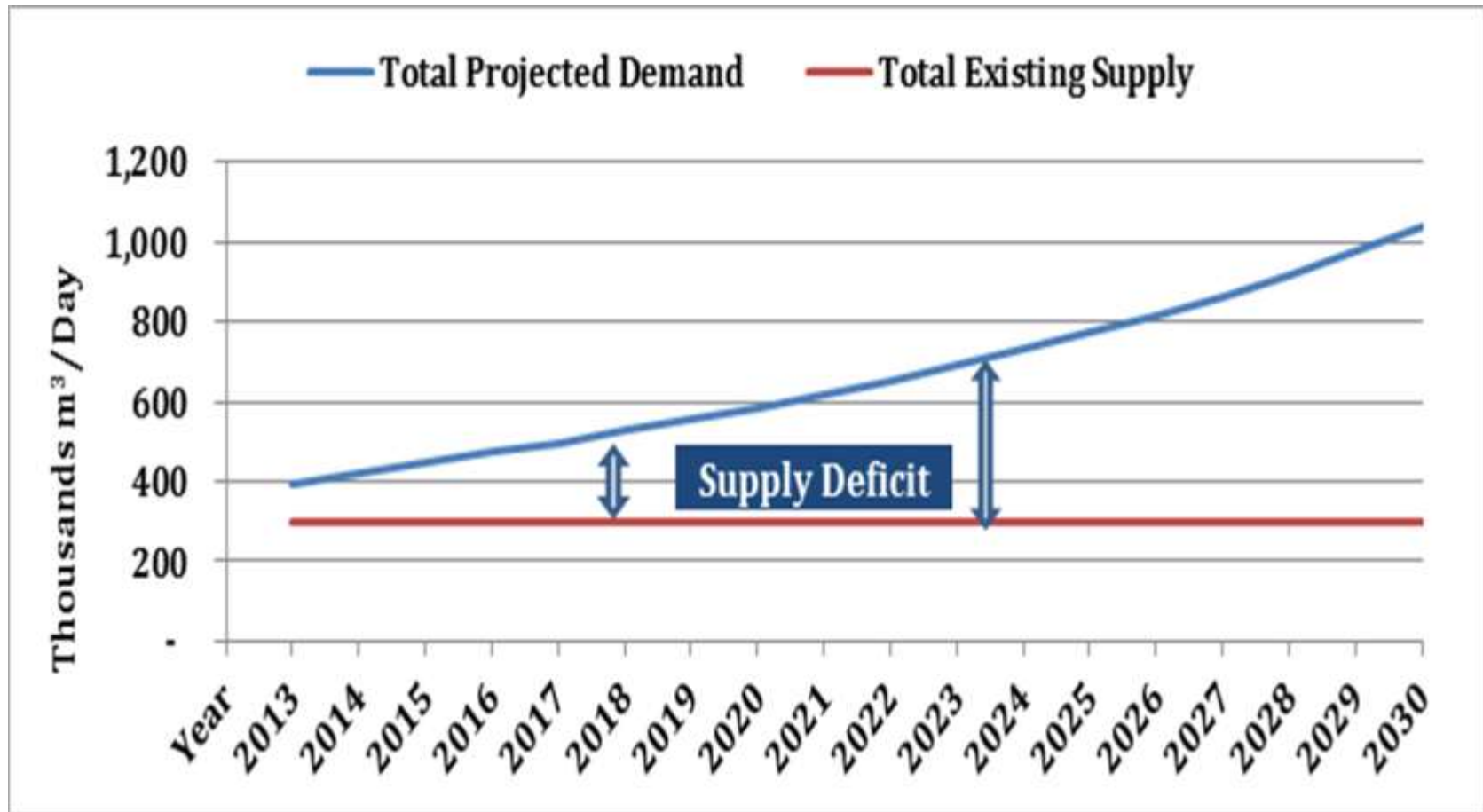


CONSULTANT: IMCworldwide Development Management Initiatives	CLIENT: PUBLIC-PRIVATE PARTNERSHIP CENTER Building & Promoting a Public-Private Partnership	OWNER: MWSB METRO WATER SUPPLY BUREAU	PROJECT TITLE: PRELIMINARY DESIGN OF BULACAN BULK WATER SUPPLY PROJECT	REVISION: 	DATE: 	DESIGN BY: 	DATE: 	DRWN BY: ALP	DATE: 	APPROVED BY: 	DATE: 	SHEET CONTENT: SERVICE AREA DELINEATION	SHEET NUMBER:
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- The main water service providers in Bulacan Province are 22 Water Districts (WDs) operating all-over the province.
- The lack of an adequate and sustainable water source prevents Bulacan's WDs from being able to fully cover their franchise areas. It also prevents them from expanding their service coverage to more households.
- When implemented, the Project will provide treated bulk water to Bulacan's WDs, assisting their efforts to meet the current water demand, expand service area coverage and increase the number of households served going forward.





The increasing deficit in water supply will continue to widen unless the Project is implemented.



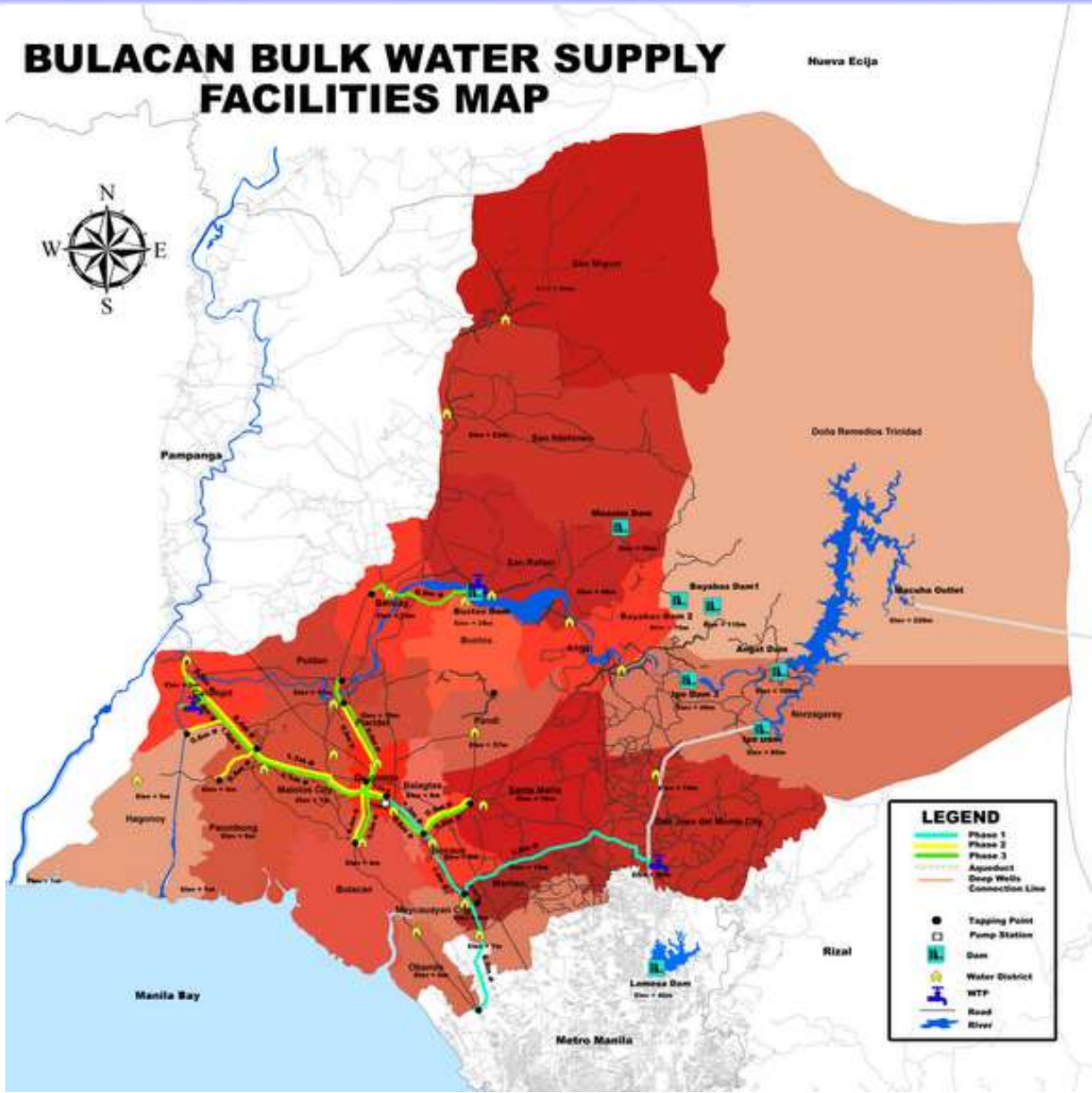
Technical Scope and Phasing

The delivery of the infrastructure facilities and services will be output-based.

- The project is divided into three (3) stages which will require, amongst others, the construction and O&M of:
 - Raw water conveyance system and interconnection pipelines;
 - Water Treatment Plants and ancillary facilities;
 - Treated water reservoirs; and
 - Pumping stations.



Scheme Design Elements



Proposed Implementation Stages

	Stage 1	Stage 2	Stage 3(a)	Stage 3(b)	Stage 3(c)
Service Area	6 WDs	6 WDs	10 WDs	Source Expansion Stages 1 and 2 area	Source Expansion Stage 3(a) area
Potential Raw Water Sources	~475 MLD (5.5 cms) Angat Dam Allocation		Pampanga River, Angat River and other sources		
Indicative Operation	2016	2017	Demand Triggered	2026	Demand Triggered



Scope of Investments and PPP Structure

Estimated Project Cost: **PhP 24 Billion**

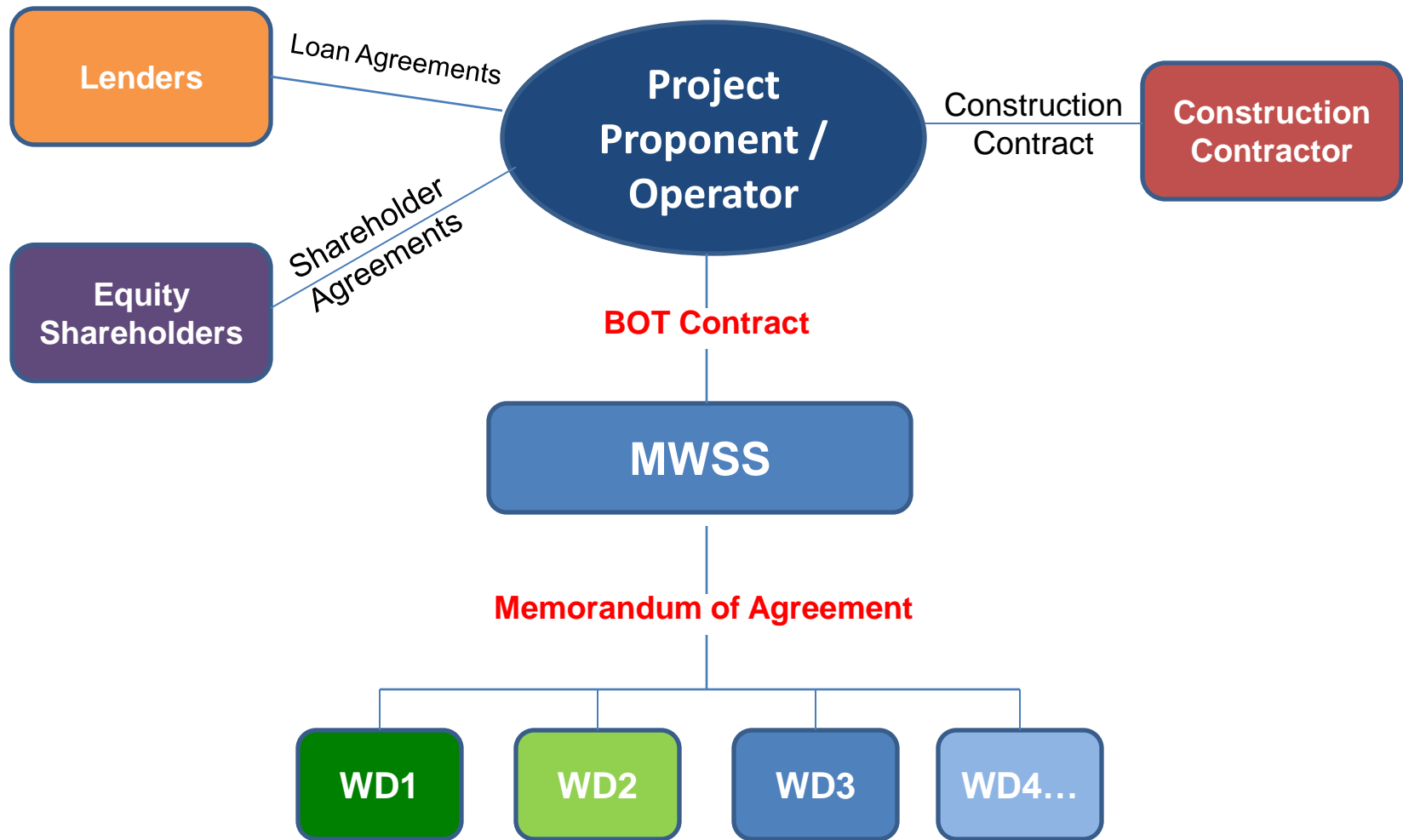
- Infrastructure and facilities
- Land acquisition
- Social and environmental mitigation

The Project will be delivered through a PPP scheme, involving:

- 30-year BOT contract between MWSS and Proponent
- MOA between MWSS, Proponent and Bulacan Water Districts with payment guarantee
- Concession fee payments



PPP Structure

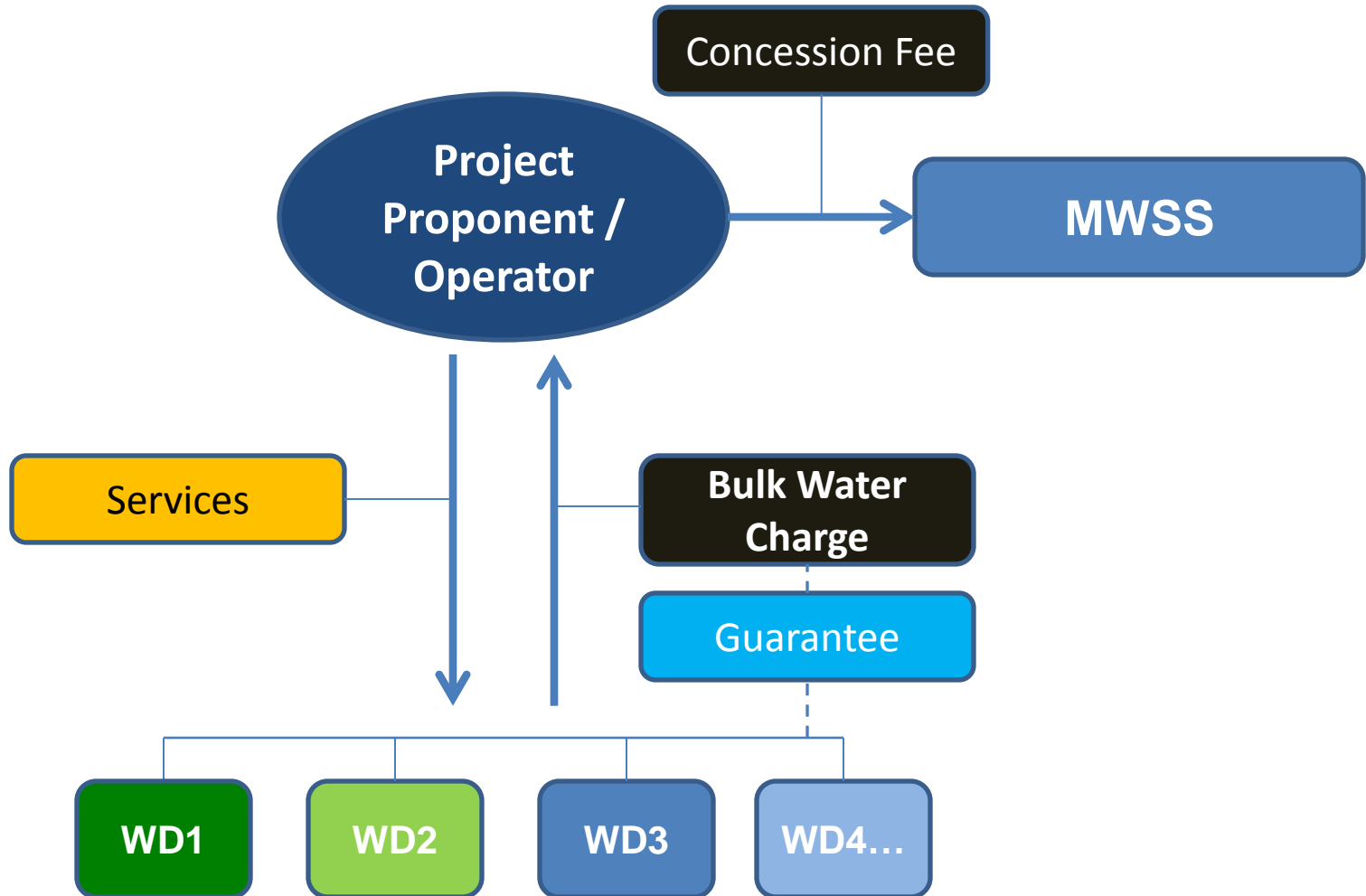


Bulk Water Charge

- The project Proponent, acting as MWSS' agent, will supply treated bulk water to, and collect the bulk water charges from, the WDs.
- The Bulk Water Charge will increase in line with inflation.
- Rate rebasing will be performed when Stage 3(a) and (c) investments are made.



Payment Structure



Bidding Process and Timelines

- Bidding under R.A. 7718 (BOT Law)
- 2-stage bidding process
- 60:40 national ownership requirement, using the grandfather rule test
- **Bidding parameter: Lowest Bulk Water Charge**



Indicative Timelines

Activities	Person(s) Responsible	Date
Publication of Invitation to Pre-Qualify to Bid	MWSS	20 June, 27 June and 04 July 2014
Pre-Qualification Conference	MWSS, Prospective Bidders	15 July 2014
Pre-Qualification Documents Submission Date	Prospective Bidders, MWSS	05 Aug 2014
Issuance of Notice of Pre-Qualification	MWSS	No later than 25 days after Qualification Documents Submission Date



Thank you

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